

Second Reading

The Hon. MICHAEL GALLACHER (Minister for Police and Emergency Services, Minister for the Hunter, and Vice-President of the Executive Council) [11.11 a.m.]: I move:

That this bill be now read a second time.

The New South Wales Government is committed to supporting our public libraries. We acknowledge that public libraries provide a wide range of services that are greatly valued by the community. We will obviously have a lengthy and detailed debate on the Library Amendment Bill 2011. I assure Opposition members that I believe this bill is important and I will not rush the debate. I will give them ample opportunity to listen to my contribution.

It is pleasing to note that in 2009-10 New South Wales public libraries had 3.1 million members, which represents 46 per cent of the population, 37 million visits, 50 million loans and 2.4 million internet hours used. The object of the Library Amendment Bill 2011 is to enable two or more local authorities to enter into an arrangement for the provision, control and management of libraries. I will reiterate that point for Dr John Kaye: The object of the bill is to enable two or more local authorities to enter into an arrangement for the provision, control and management of libraries, library services and information services in any of their respective local government areas. The bill provides an alternative to the current situation provided for in section 12 of the Library Act 1939, whereby two or more local authorities may enter into an agreement under which one of the local authorities undertakes these functions in the area or areas of the other local authority concerned.

New South Wales has 19 libraries that are controlled or managed under agreements between 70 local authorities made pursuant to section 12 of the Library Act 1939. Located throughout the State, they are colloquially known as "regional libraries". In general, these arrangements work well. By pooling resources, regional libraries provide services for communities that would be difficult or impossible for any individual council to fund. The bill acknowledges that there should be greater flexibility for local authorities in the arrangements for the joint provision of library services. The Government wants to permit local authorities to enter into a cooperative model that provides for the collective or joint management of regional libraries and specified aspects of library services by some or all of the councils concerned.

Of course, such a model should have at its core appropriate governance arrangements that are consistent with the broader policy framework for local government in New South Wales. A collaborative arrangement could take many forms, as set out in the Division of Local Government's "A Guidance Paper: Collaboration and Partnerships Between Councils". Councils wanting to enter into new regional library arrangements under the bill will need to consider guidelines and other resource material issued by the Division of Local Government relating to the formation and management of collaborative arrangements between councils. There are precedents for collective management at the local government level. For example, section 355 of the Local Government Act 1993 provides that a council may, subject to chapter 12 of that Act, exercise its functions jointly by the council and other council or councils. This power is used for collaborative arrangements covering areas as diverse as companion animals, community services, economic development, environmental management, health, social justice, skills development, tourism, waste and water.

The Hon. Mick Veitch: And youth councils.

The Hon. MICHAEL GALLACHER: The member is correct in wanting me to include youth councils in that list. The bill gives the Minister administering the Library Act responsibility for the approval of alternative arrangements for regional libraries. Of course, in practice the Minister will seek advice from the Library Council on proposed alternative arrangements. The key issues for the Library Council will be ensuring that any proposed alternative arrangements meet the requirements for public libraries under the Library Act and will result in a sustainable library service that meets the needs of library users. Given the central role of local government in the provision of public libraries and the need for consistency with the State's local government policies, the bill provides that the Minister for Local Government must also agree to any arrangements under new section 12A of the Library Act.

In respect of implementation of the amendments, the State Library will continue to support local councils in the framing of arrangements. I reiterate that the amendments provide enhanced flexibility for councils whilst ensuring proper consideration of library policy issues and alignment with the State's local government policies. The bill is supported by the Library Council and representatives of the Public Libraries Consultative Committee, which includes Public Libraries NSW and the NSW Metropolitan and Country Public Library Associations. The Local Government and Shires Associations of New South Wales is on the public record as supporting the bill because it represents a new option for councils that have been seeking a different way of running regional libraries. In a media release issued on 27 May the President of the Local Government and Shires Associations, Councillor Keith Rhoades, AFSM, said that new section 12A of the Library Act is "a new and flexible section that will allow councils to explore new frameworks for sharing responsibilities and managing regional libraries if and when needed". He also stated:

It symbolises a fantastic new chapter for the 3.2 million public library members in New South Wales. We're delighted that the State Government has seen the importance and need for different options for councils and has acted so soon in its legislative program.

The President of the Shires Association of New South Wales, Councillor Bruce Miller, said:

The Local Government and Shires Association highlighted the need for reform and more funding for libraries in the lead up to the State election in March in our *NSW Election Priorities 2011*, so we're pleased that councils now have more flexibility available on how they run and provide their library services.

He also stated:

We have been heartened by the fact that the State Government have been continuing to conduct developmental work in this area and look forward to working with them to develop more support for our public libraries.

Unfortunately, there has been some scaremongering about this bill and I take this opportunity to ensure that the House is fully informed. It is important to note that the Government has no agenda to privatise public libraries. We recognise that this is a core business for local councils and there are no plans to change that. No council is required to enter into arrangements under new section 12A. An alternative arrangement would need to be proposed by two or more councils. The bill creates capacity for two or more councils to agree to seek Government approval of new arrangements for the provision of public library services. It will make the mutual provision of library and related services by two or more councils possible.

The bill does not prescribe the nature of the alternative arrangements that may be approved and each group of councils will need to propose the new arrangements that work best for them. However, it is not open slather and the ministerial approval process provided for in the bill will ensure consistency with the Library Act and with the State's policies for local government. The nature of the legal entity responsible for a regional library under alternative arrangements will be determined by councils on a case-by-case basis. However, it must be anchored in the Library Act 1939 to secure subsidies and it must be consistent with the Local Government Act 1993. As is currently the case, councils will not be able to form a corporation without the approval of the Minister for Local Government.

The Government acknowledges the expertise and value of the staff employed in regional libraries. It is interested in stimulating employment in regional areas, not seeing regional library jobs cut. The savings arising from the new arrangements provided for in this bill could place councils in a position wherein they can improve library staffing numbers in regional libraries. Outsourcing of aspects of public library services is not new. The Local Government Act enables local authorities to contract out functions. This is available for use by regional libraries under section 12. It will also be available for arrangements under the new section 12A. Whether or not councils choose to contract out some library functions is unchanged by this bill. I am advised that local councils already contract out some library-related services, for example, procurement, cataloguing, courier delivery and preservation of original materials. Information technology support is regularly contracted out by councils at present. This is practical administration at the local level and it will not change under the bill.

Many libraries, including Riverina Regional Library, use local government procurement for the purchase of their book stock. Others specify that book suppliers provide the books shelf-ready, which means that the purchased collections are covered and bar coded prior to delivery. In a report by the State Library of New South Wales entitled "A benefit cost analysis: Outsourcing of Acquisitions, Cataloguing and Processing in NSW Public Libraries", published in 2010, Canterbury City Library featured as a case study. The report states that this library began outsourcing its collection acquisition, processing and cataloguing tasks in 2002. The same report also shows that libraries which contract out these functions can free up staff time allocated to backroom functions to provide enhanced direct customer services. This is especially important as our public libraries are becoming busier year on year. New arrangements between councils could potentially improve services across local government areas through initiatives such as greater collection sharing and joint purchasing. In areas such as home library services, councils could also collaborate to improve services and decrease costs. As I said at the outset, this Government understands the importance of public libraries in our communities. I am pleased to note that there has been significant growth in demand for public library services in New South Wales over the past five years. The latest public library statistics for New South Wales show that library visits have increased by 15 per cent over the past six years, loans of books and other materials have increased by 10 per cent over the same period and internet use in libraries has increased by 30 per cent in the past five years alone.

Although demand for public libraries has grown significantly over the last five years, the funding base for public library grants and subsidies remained static from 2007-08 at \$23.58 million right through 2010-11. The Library Development Grants program—used to improve buildings, collections and technology services and to enable innovative library projects for communities—has reduced from \$3.3 million in 2005-06 to \$1.1 million in 2010-11. While some relief was provided by the temporary allocation of an additional \$2 million per annum to country libraries until 2012-13, this has not addressed the problem of inadequate core

funding. The Government is addressing public library funding, and we will further examine the current funding system for public libraries. This bill, along with our public library funding commitments, demonstrates that we are responding to a much-neglected but crucial sector in our community.

In closing, I acknowledge the efforts of the Hon. Catherine Cusack in bringing to the attention of the Parliament the need for greater flexibility in regional library arrangements. She is to be congratulated on the approach she has taken for some time with respect to ensuring that the House, the Parliament and, therefore, the wider community are aware of the difficulties in this sector. I am pleased to commend the bill to the House.